
Local collaborative network: is it smart implementer of the cocoa business development policy in Indonesia?

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Abstract: The main objective of this research is to develop capability of local collaborative network in the implementation of cocoa business development policy in Indonesia. The results of pairing patterns and time series techniques showed that the farmer groups as local collaborative network was unable to carry out the policy effectively. This is due to the fact that the government as initiator did not facilitate them to design operational programs that can increase cocoa productivity. Then, their commitment to the program of Gernas Kakao (Cocoa National Movement) was very low. Therefore, local collaborative network as a place for the all stakeholders in the cocoa business development requires coordination mechanism and commitment among them to design and implement the operational programmes of the Gernas Kakao.

Keywords: local collaborative network; collaborative public policy; policy implementation; cocoa business development.

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1 Introduction

In the study of management of public organisations today, the managers of public organisations can no longer rely on itself in the public policy implementation and public service delivery, because they have to deal with complex problems and many stakeholders have competing and even contradictory interests. They need to work with others in carrying out these tasks effectively and efficiently. Moreover, they do not have sufficient resources, in terms of funding, technology, and information in implementation of these tasks. This complexity, which causes the interdependence between organisations both public and private, is increasing (O'Leary et al., 2009; Agranoff and McGuire, 2003; Goldsmith and Eggers, 2004; Isett et al., 2011; O'Toole and Montjoy, 1984).

The collaborative network perspective becomes important in a public policy implementation because a certain policy has a lot of stakeholders. In this case, it has been shown in a variety of empirical research on public policies implementation that involves multiple stakeholders. The study conducted by Pressman and Wildavsky (1984) concerned with a complexity of joint action, in which there is diversity of stakeholders and perspectives of all the government levels that may generate a conflict in practice. The same study conducted by Hall and O'Toole showed the importance of collaborative approaches in research policy implementation (O'Leary et al., 2009).

Then, the relevant previous research showed this study's position among the other research. There are several studies that are relevant to this study, namely:

- 1 Alwi and Kasmad (2014) 'Bureaucratic system vs. people empowerment policy: empirical evidence from cocoa farmer empowerment policy in South Sulawesi province, Indonesia'. The results showed that integrated models of empowerment policy allow the bureaucracy to empower them as people who are vulnerable to property.
- 2 Murwito and Mulyati (2013a) 'Cocoa Business Development needs through value chain approach in Sikka regency, East Nusa Tenggara'. The results showed cocoa agribusiness development needs required integrated participative planning,

implementation, and monitoring, holistic, and sustainable in Kabupaten Sikka. It is based on the MoU between the various stakeholders.

- 3 Murwito and Mulyati (2013b) 'Evaluation of the National Movement for Cocoa Quality Improvement (Cocoa Gernas Program) in Sikka Regency, East Nusa Tenggara Province'. The results showed that the implementation of the Cocoa Gernas program has a positive impact on the efforts to increase productivity and enhance the quality of cocoa farmers. All the research mentioned above focus on the role of the bureaucracy as the implementers of the cocoa business development in Indonesia. This means that the above research differs from this study.

Regarding the above, the implementation of cocoa business development policy is a study that concerns a lot of stakeholders, who have varied interests. This study focuses on the collaborative network perspective in the implementation of cocoa business development policy in Indonesia. This perspective aims to bring together all the stakeholders with their varied interests.

The cocoa business development policy in this area is a systematic step of the government to improve the cocoa productivity. The determination of cocoa commodity is one of the leading commodities in Indonesia, because it makes a huge contribution to the global markets and of course to the foreign exchange. Based on a report by Secretary General, Ministry of Agriculture (2016), from 2009 to 2013, Indonesia's cocoa production was the world's second largest, contributing 17.21% of the global market. This commodity also produced the third largest foreign exchange after palm oil and rubber plantation for the country. According to International Coffee and Cocoa Organisation (ICCO), the global demand of cocoa commodity increases around 2%–4% annually, even in the last five years to grow 5% annually (3.5 million tons/year). China and India are Indonesia's potential market.

This research's main emphasis is on farmer groups as a collaborative organisation, which also distinguishes it from the abovementioned studies. This organisation is a place that facilitates the exchange of various resources from the stakeholders. Therefore, this research's main objective is to develop the capability of local collaborative network in the implementation of cocoa business development policy in Indonesia.

2 Literature review

2.1 Concept and theories of collaborative network

Public problem is complex in nature, which requires the involvement of all the stakeholders to overcome it. The involvement of all the stakeholders through collaborative-based organisation allows the problem to be solved effectively. This shows that it holds a very important role in the design and implementation of public policy at the local level. This organisation, in this study is called the local collaborative network as implementer of public policy at the local level. Since the stakeholder's interests are often conflicting it needs to have sufficient capability to resolve the problem. Organisation, such as in this study is called the smart implementer. It has capabilities to design and implement a policy that covers a lot of stakeholders, to address the complex problems at the local level.

The government is no longer alone in carrying out the primary task, because the solution of public problems and the provision of public goods are complex. It needs to develop a collaborative network with other parties to carry out these tasks. The government needs to involve other organisations to resolve the complex public problems and to provide public goods more effectively and efficiently.

Literature study conducted by Isett et al. (2011) shows that the collaborative network is a research stream on which network was developed. This stream focuses on the public service delivery and the provision of public goods. According to them, “collaborative networks are collection of government agencies, non-profits, and for-profits that work together to provide public good, service, or ‘value’ when a single public agency is unable to create the goods or services on its own and/or the private sector is unable or unwilling to provide the goods or services in the desired quantities”. The collaborative network carries out activities on behalf of the public. They may be formal and orchestrated by a public manager or they may be emergent, self-organising, and ad hoc, with many variants in between.

Another concept that is approximately equal to the meaning of collaborative network proposed by Bryson et al. (2006) is cross-sector collaboration, which is defined “as the linking or sharing of information, resources, activities, and capabilities by organisations in two or more sectors to achieve jointly an outcome that could not be achieved by organisations in one sector separately”. According to Roberts (2000), “collaboration, translated as working together is premised on the principle that by joining forces parties can accomplish more as a collective than they can achieve by acting as independent agents”.

The concept of collaborative networks has some concepts that are approximately equal, so that Gray is more likely to express elements of collaboration, involving:

- 1 the interdependence of the stakeholders
- 2 the ability to address differences constructively
- 3 joint ownership of decision, and collective responsibility for the future of the partnership (O’Leary et al., 2009).

Then, Imperial stated “collaborative organisation are organisations composed other organisations that perform a variety of more traditional functions by institutionalising rules, procedures, and process in to coordinating organisational structures” (O’Leary et al., 2009).

Furthermore, the collaborative network phenomenon is explained by various theories, such as network theory, resource dependency theory, and transaction cost theory. Network theory explains that each actor (individual or collective) has different access to resources (wealth, power, information). The result is a structured system, which tends to be stratified; the specific components depend on the other components (Ritzer and Goodman, 2004). This theory has several principles, namely: first, the bond between actors is usually symmetrical, both in content and intensity. Second, the bond between individuals must be analysed in the context of a wider network structure. Third, structured social ties lead to various types of non-random network. Fourth, the group leads to the creation of cross-connections network between the network group and between individuals. Fifth, there is an asymmetric bond between elements in a network

system so that the limited resources will be unevenly distributed. Sixth, the unequal distribution of limited resources leads to both cooperation and competition.

Resource dependence theory states that the purpose of an organisation is to reduce dependence on other organisations that supply resources and try to find a way or a strategy to obtain these resources. It always attempts to deal with the environment pressure by using proactive strategies to access resources in the environment (Jones, 2004; Jaffee, 2001; Gulati and Gargiulo, 1999). This theory is not very different from the network theory above, as both are focused on the resources.

Furthermore, the transaction cost theory developed itself into a scientific instrument that can explain the various expenses arising from indirect production costs, but the costs incurred that relate to transactions with other organisations. The transaction costs are influenced by institutions and agent behaviours that exist in the market, especially when a transaction takes place. This theory is vital in a political economy because it explains how the transaction process in the economic activity takes place through institutions and various rules of the game.

Based on the concept and theories mentioned above, the collaborative network is an organisation involving two important components, namely coordination and commitment of the stakeholders. Coordination is one of the important things in a collaborative organisation because the public organisation has several programs and stakeholders. On the other hand, coordination is also one of the oldest problems in the public sector (Bouckaert et al., 2010). This occurs because public organisations cover complex public problems that require public policies and programs, which in turn involves many stakeholders. Then, Bouckaert et al. (2010) cited some experts who explained, coordination in a public sector inter-organisational context is the instruments and mechanisms that aim to enhance the voluntary and forced alignment of tasks and efforts of organisations within the public sector. These mechanisms are used to create a greater coherence, and to reduce redundancy, lacunae and contradictions within and between policies, implementation or management.

Furthermore, commitment is one component of collaborative organisation that determines the effective collaborative activities. It is the seriousness of stakeholders to carry out a previously signed agreement, including the achievement of organisational goals. Commitment is largely determined by the stakeholder's motivation. Stakeholders will be committed to undertake activities jointly when these activities meet the needs of stakeholders. This is explained by the motivation theories, as mentioned by Maslow and McClelland, that motivation will be high if the needs are met. In this case, a person will be motivated to do something if his needs are met by a job. So, people will have a strong commitment towards a job if the job meets their expectations or needs.

2.2 Collaborative organisation as implementer of public policy

Public services delivery and public goods provision are the stage of realisation of public policy goals. At this stage, the policy implementer deals directly with the citizens' problems and needs as target group of a public policy. In achieving this objective, the policy implementers often face problems because the stakeholders have different and even contradictory interests. Additionally, the implementers are expected to deliver public services and the provision of public goods effectively and efficiently.

The above phenomenon shows that public policy implementation is a complex thing. In this case, public organisation as an implementer is unable to carry out the main tasks

alone, and thus requires the involvement of other organisations, both private and public (O’Leary et al., 2009; Agranoff and McGuire, 2003; Goldsmith and Eggers 2004; Isett et al., 2011; O’Toole and Montjoy, 1984). Public organisations as policy implementers need to work across boundaries in carrying out the major tasks (Linden, 2002; O’Leary et al., 2009; Bryson et al., 2006). The collaborative organisation is capable of working together with stakeholders, with different interests.

Collaborative organisation brings together all the stakeholders for a particular purpose. These organisations can also be designed for temporary and permanent purposes. This can be explained by O’Leary et al. (2009), through the types of collaborative structure in public management, as follows:

- 1 type of interorganisational innovation, in which interaction is relatively low and commitment is at arm’s length
- 2 type of temporary task force, which is established to work on a specific and limited purpose, and disbands when the purpose is accomplished
- 3 type of permanent and/or regular coordination.

Resource exchange is more extensive than the first two arrangements, but with minimal risk. The involvement of other organisations in the public policy implementation, in the policy implementation study is called interorganisational implementation or implementation network. According to O’Toole and Montjoy (1984), there are several reasons to understand the network implementation, namely:

- 1 The fact that the impediments to intra-organisational implementation continue to apply and are multiplied by the number of organisations whose contribution are required.
- 2 The organisation must not only act, but they frequently must act in a coordinated fashion. The number of organisations and the need for coordination across organisations makes the situation much more complex, *ceteris paribus*, than in a single agency case.
- 3 The increased complexity decreases the chances which mandates the specification in details the required action and interaction of the participating organisations.

Based on the description of the concept and theories for collaborative networks, the authors concluded that there are two components of collaborative organisation, namely coordination and commitment. This organisation requires coordination mechanism to integrate stakeholders’ activities as well as requires their commitment to carry out the previously agreed programs.

3 Research method

3.1 Research design and strategy

The research design used in this study is qualitative research, aiming to uncover and explain the implementation of the cocoa business development policy in Indonesia. Then, a case study is chosen as research strategy with explanation type.

3.2 *Informants*

To understand the policy implementation of cocoa business development in North Luwu, information from many informants will be required. The number of informants interviewed were 43, who came from various backgrounds that includes:

- 1 the officials and staff of Agriculture and Plantation Agency (three people)
- 2 the members of local parliament (three people)
- 3 the field facilitators (three people)
- 4 the head of village (one person)
- 5 the cocoa businessmen (three people)
- 6 the cocoa farmers (30 people).

3.3 *Data collection techniques*

Data collection techniques used in this research are observations, interviews, and documentations. Observations focused on the tangible objects, such as cocoa trees, cocoa farm and economic activities of the farmers. The observed situations include:

- 1 the nursery process done by the farmers
- 2 the condition of cacao trees that were productive and/or contaminated with pest and disease
- 3 the farmers' daily routine, such as pruning, spraying pest, harvesting, drying cacao beans, and fermentation.

The above was followed by in-depth interviews addressed to all the aforementioned informants. Furthermore, various documents were also collected, such as regulations, laws and institutional activities' reports relating to the policy implementation.

3.4 *Techniques of data processing and analysis*

The analysis techniques used in this study involve pairing patterns and time series techniques. These techniques are utilised together to complete one another (Yin, 1989). In addition, data analysis used in this study covers three stages namely, data reduction, data display and drawing, and verifying conclusion (Miles and Huberman, 1994).

The gathered data obtained through observation, in-depth interviews and documents was categorised and classified, based on its similarities and differences. The next step was data reduction from which conclusion and analysis results were obtained. The explanation regarding data reduction is further explained in the next section.

4 Results and discussion

4.1 Implementation of the cocoa business development policy in Indonesia

Cocoa business development policy in Indonesia is generally known as the National Movement for Increased Cocoa Production and Quality (Cocoa Gernas). This policy is a government effort to improve the cocoa productivity and quality in Indonesia through the empowerment of all the stakeholders as well as the optimal utilisation of resources. This policy targets to improve the people's cocoa plant business that involves an area of 450,000 ha through renovation, rehabilitation, intensification, farmers' empowerment, pest and disease control, apart from improving cocoa quality and providing provision for other support activities (MP3EI 2011–2025, 2011).

This policy was implemented in 2009 and covers nine provinces and 40 regencies. In 2010, the implementation of this policy involved 13 provinces and 56 regencies. Then, in 2011, it encompassed 25 provinces and 98 regencies. Furthermore, in 2012, it involves 14 provinces and 50 regencies. In 2013, this policy covered five provinces and 29 regencies. Cocoa crops have been in a state of old/damaged and poorly maintained, pests and diseases with moderate to severe level of attack since the policy's implementation. Thus, overall effort for improvement is required to increase the cocoa productivity and quality (MP3EI 2011–2025, 2011). Table 1 describes the policy implementation's progress.

According to Table 1, the government implemented the policy in 2009. During that time, the policy increased hectareage of cocoa plant significantly, especially in the year from 2009 to 2012. At the same time precisely, the opposite happened in terms of cocoa production, the amount of production decreased significantly. Even though this policy was a national movement to increase the quantity and quality of cocoa production, it was implemented on a massive scale accompanied by substantial financial assistance from the government to the farmer groups, as shown in Table 2.

Table 1 Land area, production and cocoa productivity level in Indonesia

<i>Year</i>	<i>Land area (ha)</i>	<i>Production (ton)</i>	<i>Productivity (ton/ha)</i>
2006	1,219.60	702.2	0.843
2007	1,272.80	671.4	0.796
2008	1,326.80	740.7	0.891
2009	1,491.80	742.0	0.811
2010	1,558.40	772.8	0.793
2011	1,638.30	644.7	0.808
2012	1,693.30	687.2	0.845
2013	1,660.77	665.4	0.836
2014	1,636.88	651.6	0.817

Source: Directorate General of Estate Crops, Ministry of Agriculture (2016) (rearranged)

Table 2 The amount of fund assistance of Cocoa Gernas program and the number of cocoa farmers in Indonesia

<i>Year</i>	<i>Amount of fund (IDR)</i>	<i>Number of farmers</i>
2013	13,440,422,000	1,740,612
2014	202,533,800,000	1,643,338
2015	162,861,280,000	1,704,982

Source: Directorate General of Estate Crops, Ministry of Agriculture (2016) (rearranged)

Based on Table 2, Cocoa Gernas program makes use of hundreds of billions of rupiahs annually. However, cocoa productivity levels remained unchanged, i.e. before and after the year 2009, the cocoa productivity is around 0.8 tonnes/ha/year. From the policy perspective, this policy was unsuccessful because the 'SE' seeds that became the mainstay seed of this program failed to increase the cocoa productivity in Indonesia's cocoa centres. The observations from the major cocoa centres, namely South Sulawesi Province, showed that the farmer group did not cultivate 'SE' seeds that were provided by the government through this program (Alwi and Suratman, 2013).

From the implementer's perspective, farmer groups are a place for the cocoa farmers and other stakeholders that failed to implement this policy effectively. This incident took place because they lacked unified programs to improve cocoa productivity. It seemed that this organisation, as a local collaborative network, is an organisation that is always waiting for government assistance as a provider of primary resources for this program. This proves that the local collaborative network has been unable to develop Indonesia's cocoa business. The farmers in the farmer groups are not based on a spirit of togetherness, but on the desire to get fund assistance from the government through this program. The result is that there was no group or collective activities with other stakeholders so that it was unable to increase the cocoa productivity in Indonesia. All the stakeholders involved have not achieved a working consensus, which is the most important element towards the successful policy implementation in the context of collaborative governance (Ansell and Gash, 2008).

To understand the role of the local collaborative network more deeply, the authors present a case study of the cocoa business development in one of regencies as the main cocoa producer in Indonesia.

4.2 Local collaborative network: case study in the farmer group as the implementer of the cocoa business development policy in North Luwu Regency, Indonesia

In the cocoa business development in Indonesia, cocoa farmer groups are a leading organisation in realising the policy goals. The farmer group is a local collaborative network as a forum for farmers and other stakeholders to develop the cocoa business in the region. North Luwu is one of the regions of potential production of cocoa in Indonesia.

Based on the Regional Plantation Agency of South Sulawesi's data, North Luwu Regency, as one of leading cacao producers in Indonesia produced 1,050.03 kg per hectare, exceeding the cacao productivity of South Sulawesi, which is responsible only for 656 kg per hectare.

Table 3 Land area, production, productivity and cocoa farmers

<i>Year</i>	<i>Land area (ha)</i>	<i>Production (ton)</i>	<i>Productivity (kg/ha)</i>	<i>Numbers of farmers (household)</i>
2012	46,184.92	32,691.51	715,00	31,625
2013	35,765.43	22,788.19	592,77	28,701
2014	34,252.40	22,362.25	620,00	23,829
2015	36,212.67	22,296.45	990,48	24,528
2016	38,127.60	26,120.85	1,050.03	26,963

Source: Plantation Agency of North Luwu (2016)

As shown in Table 3, the cocoa productivity experienced a significant improvement as the government decided to focus on the cacao business development. This shows that the government of North Luwu Regency has given serious attention towards increasing the cacao productivity, although the amount of cacao production has not been met with the targeted production, which is two tons per hectare (Plantation Agency of North Luwu, 2015).

In the perspective of collaborative networks, there are two important components in the implementation of a policy, namely: coordination and commitment of the stakeholders. In this sense, collaborative network is likely to achieve the desired goals when effective coordination and strong commitment are well established among the stakeholders involved.

4.3 Coordination in the implementation of cocoa business development policy in North Luwu Regency

In the past, policymaking and implementation process had been dominated by government or public officials through regulatory instruments, whereas the shift from government to governance these days requires the involvement of public and private actors working together to coordinate and negotiate the common policy objectives (Roberge et al., 2015). Coordination is one of the important components in collaborative networks because the public policy implementation involves various stakeholders with diverse interests. The implementation of cocoa business development policy includes stakeholders, such as local governments, entrepreneurs, companies, and farmers, as illustrated in Table 3.

According to the Table 3, the role of government is vital in the development of cocoa business in North Luwu, as it is the focus of collaborative networks (Isset et al., 2011). The government needs to work across boundaries through collaboration between the government agencies and private organisations (Linden, 2002; Bryson et al., 2006) in carrying out this policy. The problem in North Luwu Regency indicated that cocoa production declined from 32,691.51 tons in 2012 to 26,120.85 tons in 2016 (Plantation Agency of North Luwu, 2016), and there has also been a decrease in the country's cocoa production by 9.22% in 2015 (Directorate General of Plantation, 2016).

A few of the field facilitators who did not fit in the number of cocoa farmer groups is one of the reasons for the decrease of cocoa production. Only one field facilitator was assigned at a sub-district level to cover around 20 to 40 farmer groups. This made hard for the field facilitator to visit the farmers in their cocoa plantation, which was

fundamental for consultation and empirical observation of the farmers' cocoa plantation condition. Another problem was the cocoa planting distance. Several cocoa plantations have been restricted to one land area without proper attention being paid to appropriate cocoa planting distance, as suggested by the field facilitator. This, in turn, causes the branch of a cacao tree intersects with the nearest cocoa tree, leading the cacao trees to become vulnerable to the attacks of pest and disease. Additionally, the farmers are not disciplined in pruning their cacao trees so that the branches and leaves intersect with other cacao trees.

To address this problem, the government of North Luwu proposed a programme called 'cacao village'. This policy targeted villages that have significant land area of cocoa plantation, namely Batu Alang, Kalotok and Bone Subur villages. Batua Alang Village has 50 hectares of cocoa plantation, which is the largest in North Luwu, and it has two cocoa farmer groups. This is followed by Kalotok and Bone Subur Village, which have the same cacao plantation at 25 hectares each with one cocoa farmer group. The aim of this programme is to implement a mentoring model, which is believed to improve the cocoa production from 0.9 ton per hectare annually to 2 tons per hectare annually (Plantation Agency of North Luwu, 2015). However, one of the main problems identified in the implementation of the cacao village programme is the unmatched activities designed by the government of North Luwu Regency in addressing the problems faced by the farmers. For instance, in rainy season, most cocoa plantations were inundated with unwanted water, which can cause a significant damage to the cocoa tree. This requires integrated water exhaust to be installed. In contrast, the government built village drainage, which could not fix that problem.

Another effort issued by the government was to encourage the farmers to not sell their wet cocoa beans outside of the region, but the farmers tend to sell their wet cocoa beans to two large cacao companies operating in that area. The reason for this was because those companies have built good relations with the farmers through trainings provided for the farmers' skill improvement. Another cause was because the farmers were forced to sell their wet cocoa beans to meet their daily needs.

Regarding the above, they showed involvement in the cocoa business development in North Luwu Regency. However, their involvement was not on the farmer groups, as a forum set up by the government that can be used as a place to solve some problems of cocoa development and carry out various programs that have been designed. The main reason they bought wet cocoa beans was that the quality of cocoa beans, which has been fermented by farmers themselves, does not meet the companies' standards. Even though the farmers would benefit significantly if they sold the wet cocoa beans, it showed the lack of government's coordination with the private sector in the cocoa business development in the region. However, the government needs to play a major role in this process due to its function as a coordinator of this effort.

The phenomenon above indicates that both the government and the private sector have critical resources in the development of this business. Yet, they did not have a synergy of the resources to develop it. From the network's perspective, resources become the main reference in establishing collaboration with other organisations. In this case, the government has failed to establish collaboration with the existing businessmen in this region, so that the business development has been ineffective. It can be proved that the cocoa farmers are still relying on the resources/funding of the central government through the Cocoa Gernas policy. This case shows that the farmers tend to be dependent on government assistance. Furthermore, the businessmen and the companies' resources are

not coordinated by the government in the container of existing collaborative networks, i.e., farmer groups.

Table 4 Coordination in the implementation of cocoa business development policy in North Luwu Regency

<i>Stakeholders</i>	<i>Problems</i>	<i>Actions</i>	<i>Remarks</i>
Government: plantation agency	• There is a significant decline in cocoa production from 772,771 tons in 2010 to 698.434 tons in 2014 (Directorate General of Plantation, 2016)	• Wet cocoa beans were not allowed to go out of the province	Not optimal
Government: facilitators team	• Limited field instructor team while the cocoa area is very spacious • Its organisational structure differs from plantation agency	• Only one technical facilitator in the sub-districts • Only one coordinator of technical facilitator in the regency	Ineffective
Government: head village of Batu Alang	• Stagnant water in cocoa plantations • Needs integrated water exhaust system • PT Olam (cocoa company) helps the farmers buy the cocoa seeds that were uncertificated by the government	• The government made the village drainage • No action on PT Olam	Not accordance with the request
Businessman	• Request for the expansion of the electricity capacity for chocolate processing machine • Government and private sector working independently	No	No
Cocoa company	• Government and private sectors working independently	No	No
Farmers	• They are reluctant to finance the cocoa plant cultivation • The existence of field facilitators is less effective	• No (They only waited for financial aid from government) • Only one technical facilitator in the Sub-district that covers around 30–50 farmer groups	Ineffective

Source: Data Reduction (2016)

In addition to capital, the businessmen and companies also have the resources, such as skills that can be used by the farmers to enhance their capacity and increase the cocoa productivity. This is important, because the government has limited number of skilful facilitators. It only has one facilitator for a village, a district, and regency, respectively. In fact, the area of the cocoa plantations is very spacious, indicating that the number of government facilitators is insufficient.

The above explanation shows that the limitations of the resources owned by the government, so that it needs to develop a network strategy to address the problems. This phenomenon is explained by resource dependence theory (O'Leary et al., 2009) that the government needs to collaborate with the other parties who have or control the resources needed in the cocoa business development. Of course, the type of collaboration is meant here as mentioned by O'Leary et al. (2009), namely the type of coordination regular collaboration structures, in which this type requires a more extensive resource exchange. This collaboration type requires collaborative organisation as a forum that can bring together all the stakeholders, who have the resources needed in the cocoa business development.

The various problems mentioned above require coordinated solutions, because they are complex problems requiring coherence and minimalist contradiction in the implementation of cocoa business development policy in the area (Bouckaert et al., 2010).

4.4 Stakeholders' commitment in the implementation of cocoa business development policy in North Luwu Regency

One important dimension of collaborative network is the stakeholders' commitment. The commitment is seen from their willingness to run various programs and activities that have been agreed upon in collaborative organisation. In this study, the farmer group is a collaborative organisation, which brings together all the stakeholders in the implementation of cocoa business development policy in North Luwu. The stakeholders' commitment can be illustrated in Table 5.

Based on Table 5, the government seems to have a strong commitment towards the development of cocoa business in North Luwu. This can be seen by the number of policies formulated namely, local government policy of the cocoa business development, 'Germas Takwa' (2007–2008), national policy of cocoa business development (2009–2011), increased production and quality of sustainable plantation crops programme (2012–2015 Ministry of Agriculture), and local government policy of the cocoa business development, 'Kampung Kakao' (2015). However, the process of these policy formulations was undertaken without any discussion with the farmers, leading to the absence of common understanding among the stakeholders. As a result, these policies were implemented ineffectively.

The same can also be said for facilitator's support. In fact, however, only very few field facilitators were hired, compared to the number of farmer groups and the large area of cocoa plantation (see Table 4). Another problem identified was that the field facilitators did not have a map of the farmer groups' needs because their activities were not discussed and planned together in the farmer groups as local collaborative organisation.

According to Table 5, the availability of some policies of cocoa business development demonstrates the government's commitment to develop the cocoa business in the region. Furthermore, the government has also equipped infrastructure of the organisation, such as the facilitator organisation that covers all government levels. The organisation aims to help farmers to overcome the technical problems in the field and to increase the farmer's skills, which finally improves their productivity. Likewise, the government designed the farmer groups in every cocoa village, which in this study were identified as collaborative organisations. Unfortunately, government actions, such

policies were not discussed or communicated effectively to other stakeholders, so that they do not understand the policy's substance.

Table 5 Stakeholders' commitment in the implementation of cocoa business development policy in North Luwu Regency

<i>Stakeholders</i>	<i>Actions</i>	<i>Activities' farmer group as collaborative organisation</i>
Government: policy maker	- Local government policy of the cocoa business development, 'Germas Takwa', 2007–2008. - National policy of cocoa business development, 2009–2011. - Sustainable plantation production and quality program, Ministry of Agriculture 2012–2015. - Local government policy of the cocoa business development, 'Kampung Kakao', 2015–Present	No discussions with the stakeholders about the large area of cocoa plantation (see Table 3), rejuvenation, intensification and rehabilitation
Government: facilitator team	- They are ready to receive complaints - They went to the farmers who were in need - They are holding weekly meetings at the agriculture facilitator office (BPP)	- There was no map of the farmer's need about rejuvenation, intensification and rehabilitation to make facilitators' job easy in organising accompaniment - Facilitators tend to assist the farmers without having well-planned actions
Government: head village of Batu Alang	- Person in charge and steering of farmer groups in the village - To encourage the farmers to grow the cocoa	- At the time they receive funding - Motivate farmer groups
Businessman	They buy farmers' cocoa	- No discussion about quality of cacao fermentation, which must have a moisture content of around 6–7% - Wet cocoa beans should not be sold
Cocoa company	- They buy farmers' cocoa - To increase the farmers' skill	- No discussion about quality of cacao fermentation which must have a moisture content of around 6–7% - Wet cocoa beans should not be sold
Farmers	To increase the farmers' spirit	- At the time they receive funding - Maintain togetherness and relationship among the cacao farmers

Source: Data Reduction (2016)

One of the stakeholders that become target group of the policy is a farmer. Based on Table 1, they seem to have a strong commitment. It is characterised by the rise of their eagerness to maintain their cocoa crops because there is increase of cocoa productivity significantly at least in 2016. Unfortunately, the farmers' commitment is still driven by

the assistance given by the government, which has not been fully constituted by the motivation of self-reliance to improve their productivity. This condition shows the policy and the program of the business development, which generally do not empower them. In this case, the actual commitment could arise when they are independent. Self-reliance can be realised, of course, and needs the help of the government, as proposed by Narayan (2002), empowerment is an expansion of assets and capabilities of poor people to participate in, negotiate with, influence, control, and hold accountable institutions that affect their lives.

Furthermore, commitment grows awareness about the existence of success. However, they showed commitment due to the availability of the government aid. The fact shows that the government supports the farmers to encourage their self-reliance, but it turns out that the aid makes them more dependent so that the commitment that appears is quasi commitment in nature.

The farmer group as a collaborative organisation does not have a collaborative spirit because the organisation still resembles a bureaucratic organisation, which is still more oriented with the rules and orders of superiors (Alwi and Kasmad, 2014). The village head that is in charge and steers the farmer groups in the village is always based on the orders of the top leader – regency government. This shows that the working mechanism of bureaucracy is hierarchical that determines the working mechanisms of farmer groups as a collaborative organisation.

As a result, businessmen and companies operating in this area are very difficult to include in the organisation although they have interest in the cocoa business. They are a part of the market and simultaneously control the resources needed in the said business development. They still help some farmers in the business based on their interests. They provide limited training to the cocoa farmers, of course based on the desired quality standard and most importantly; they have access to the purchase of the cocoa beans.

Based on the above explanations, the stakeholders committed to improve the productivity and quality of cocoa, but it is not based on a collaborative spirit, which is fundamental in solving complex problems, such as cocoa business development problems in this area. In the same sense, government as the main initiator of this organisation was unable to work across boundaries in carrying out its primary task (O'Leary et al., 2009; Agranoff and McGuire, 2003; Linden, 2002; Goldsmith and Eggers, 2004), therefore, it can be argued that the implementation of cocoa business development policy has not been effective.

5 Conclusions and recommendations

Implementation of the business development policy has failed to improve the quality and productivity of cocoa in Indonesia. This is caused by the inability of the farmer groups to design and implement various operational programs. The farmer groups identified, as a local collaborative network in this study were unable to bring together all the stakeholders to address various problems of the cocoa business development. The result is the farmer group that is expected to synergise all the stakeholders then turned into an institution that just receives funds from government assistance through this program.

In addition, the government is a major party in charge and a simultaneous coordinator of all the stakeholders in this effort. As a coordinator, it has not performed its functions

effectively. Similarly, the stakeholders have not shown a commitment as the primary condition in collaborative organisation.

Therefore, to implement the policy effectively, it is necessary to increase the ability of the local collaborative network, where the government needs to intensify the coordination function through coordination mechanisms developed in the farmer groups as a local collaborative organisation. In addition, all the stakeholders need to be committed to run the programs that have been built together and the government also needs to create a condition that allows them to be involved in this field.

Several managerial recommendations are proposed here to improve the quality of this policy implementation. First, the 'Gernas Cocoa' program can be viewed as an appropriate program, but it lacked sufficient resources (particularly financial availability) to be successfully and continuously implemented. Therefore, the local government must provide financial assistance in the form of cheap loan scheme for farmers as an alternative source of fund to overcome financial problems, which most cocoa farmers face. Second, the government needs to motivate and synergise all the stakeholders in planning and implementing the activities of cocoa business development by developing effective incentive mechanism.

The result of this study then opens a door for future research. It seems that the next exploration should be directed to see the network effectiveness in terms of closeness of the relationships and trust among the stakeholders in a collaborative network.

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